Review of New Catering Policy

615. SHRIMATI S. G. INDIRA: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that Government had taken a decision to review the New Catering Policy;

(b) whether it is also a fact that if the new policy is implemented in its original form, more than 50,000 vendors will become jobless; and

(c) whether it is also a fact that the small vendors would not be able to pay the license fee proposed in the New Catering Policy?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU): (a) No, Sir. However it has been decided that existing contracts of all units at all stations which have expired or are expiring will be extended upto 31st Oct., 2005, in order to further scrutinize critically the provisions of Catering Policy, 2005 for improvisation if required.

(b) There is no danger of vendors being rendered jobless who are running catering units at Railway Stations as a result of implementation of New Catering Policy. All the licencees whose present contracts have expired or are due to expire will be able to participate in the new tenders/ selection through application against the existing and fresh licences, subject to eligibility criteria. Employment opportunities will not decrease as catering units are not being closed.

(c) No, Sir. Small vendors and the poor section of society can apply for catering contracts at 'D', 'E' & 'F' category of stations which involve low budget and capital as catering units are small in these cases. At these stations, entrepreneurs from lower strata of society will have opportunity to apply for licences as there are no stiff financial criteria for contracts. Licence Fee is proportionate to the anticipated sale which will be paid out of the sale. Therefore, there will be no problem in paying the Licence Fee.

Gauge conversion, etc. in Gujarat

616. SHRI LALITBHAI MEHTA: Will the Minister of RAILWAYS be pleased to state:

(a) the pending demands of Gujarat for Gauge conversion, new routes, extension of existing routes and increase in frequency;